Title: Need to clear the proposal of Karnataka Government seeking relaxation in entry point norms for organisation of New Primary Urban Cooperative Banks-Laid.

SHRI G.S. BASAVARAJ (TUMKUR) : The Reserve Bank of India has revised the entry point norms for organisation of New Primary Urban Coopeative Banks w.e.f. 1.4.1998, which is very high in respect of collection of share capital and the minimum membership. The Urban Cooperative Banks in Karnataka are mainly functioning in urban and semi-urban areas, extending financial support to middle class and poorer sections of the society for the purposes like construction of houses, transport, petty business, small scale industries, retail traders, assistance to artisans and professionals. Hence, relaxation of the entry point norms was sought by the State Government of Karnataka. The State Government had sent this proposal to the Union Government. The State Government of Karnataka has also sent reminder in this regard.

So, I urge the Union Government that they should take immediate necessary steps to clear this project at the earliest.